

A message was received from the House announcing that that body had passed Senate bill No. 8, "An act making an appropriation for the mileage and per diem pay of members, and the per diem pay of the officers and employees of the Seventeenth Legislature," with an amendment.

Also, Senate bill No. 9, "An act making an appropriation to defray the contingent expenses of the Seventeenth Legislature," with an amendment.

On motion of Senator Homan, House amendment to Senate bill No. 8, was concurred in.

On motion of Senator Gooch, House amendment to Senate bill No. 9, was also concurred in.

Senator Henderson introduced a bill entitled "An act to amend article 560 of the Code of Criminal procedure." Referred to Judiciary Committee No. 2.

The President, after reading the caption thereof, signed Senate bill No. 8.

On motion of Senator Burges, Senate adjourned to 10 A. M. Monday next.

SIXTH DAY.

SENATE CHAMBER,
AUSTIN, January 17, 1881. }

The Senate met pursuant to adjournment; Lieutenant-Governor J. D. Sayers in the chair.

Roll called; quorum present.

Prayer by the Chaplain.

On motion of Senator Houston, the reading of the journals of Saturday was suspended and the same adopted.

Senator Houston presented a memorial signed by Jacob Jackson Humphreys, setting forth that he is a resident of Bexar county, Texas, and 64 years of age; that he was a member of Captain Pearson's company in the ill-fated Mier expedition, and as such drew for his life at the Salado, was one of the prisoners confined in Perote castle, Mexico, and was one of the last released; that he remained in the United States service till after the Mexican war; that after an absence of thirty years he now returns in indigent circumstances with a large and helpless family, and asks that such pay be granted him while a prisoner in Mexico; also, such bonds or money in lieu thereof under the law of the State in 1874, and for general relief, as the Legislature may deem proper; and that he further believes himself entitled to bounty land for the first service. Referred to Committee on State Affairs.

Senator Shannon introduced a bill entitled "An act regulating the removal of the disabilities of minors." Referred to Judiciary Committee No. 1.

Senator Martin of Navarro introduced a bill entitled "An act to repeal articles 4081, 4082, 4083, 4084, 4085, 4086, 4087, 4088 and 4089, title 82, of the Revised Civil Statutes of the State of Texas, and an act approved April 19, 1879, entitled 'an act to amend an act entitled an act creating the office of public weigher, and regulating the appointment and defining the duties and liabilities thereof.'" Referred to Judiciary Committee No. 1.

Also, a bill entitled "An act amending article 4609, chapter 4, of the Revised Civil Code, approved February, 1879." Referred to Judiciary Committee No. 1.

Senator Burton introduced a bill entitled "An act to amend chapter 130 of the acts of 1879, entitled 'an act to encourage stockraising and for the protection of stockraisers.'" Referred to Committee on Stock and Stockraising.

Senator Stubbs introduced a bill entitled "An act to amend chapter 8, title 37 (estates of the decedents), of the Revised Civil Statutes, adopted February 21, 1879, by add-

ing another article to be styled article 1904." Referred to Judiciary Committee No. 1.

Also, a bill entitled "An act to amend articles 4796 and 4797, chapter 1, title 96 of the Revised Civil Statutes, adopted February 21, 1879." Referred to Judiciary Committee No. 1.

Senator Cooper introduced a bill entitled "An act to amend article 3812, title 79 of the Revised Civil Statutes of the State of Texas, passed by the Sixteenth Legislature, February 21, 1879." Referred to Committee on General Land Office.

Senator Hightower offered a joint resolution proposing an amendment to section 1 of article 6 of the Constitution of the State of Texas, relating to suffrage. Referred to Committee on Constitutional Amendments.

Senator Swain offered a joint resolution to amend section 5, article 7 of the Constitution of the State of Texas. Referred to Committee on Constitutional Amendments.

Senator Tilson introduced a bill entitled "An act to amend chapter 17, title 17 of the Penal Code and Code of Criminal Procedure, adopted by the Sixteenth Legislature, relating to swindling and fraudulent disposition of mortgaged property, by adding thereto article 797a." Referred to Judiciary Committee No. 2.

Senator Hightower introduced a bill entitled "An act to amend article 605 of an act entitled 'an act to adopt and establish a Penal Code and a Code of Criminal Procedure for the State of Texas,' passed by the Sixteenth Legislature." Referred to Judiciary Committee No. 2.

A bill was introduced by Senator Henderson entitled "An act to amend article 800 of the Code of Criminal Procedure." Referred to Judiciary Committee No. 2.

Senator Stubbs introduced a bill entitled "An act limiting the employment of sailors and crews of foreign vessels in the ports of the State of Texas." Referred to Judiciary Committee No. 1.

Senator Henderson offered a joint resolution to amend section 20, article 5 of the Constitution of the State of Texas. Referred to Committee on Constitutional Amendments.

Senator Davenport made a motion that Senator Burton be added to the Committee on Stock and Stockraising. Adopted.

Senator Buchanan of Wood moved that Senators Henderson and Shannon be added to Committee on Educational Affairs. Adopted.

Senator Ross introduced a bill entitled "An act to amend articles 4082 and 4083, title 82, of the Revised Statutes." Referred to Committee on Agricultural Affairs.

On motion of Senator Davenport, Senators Lane and Harris were added to Committee on Educational Affairs.

Senator Houston moved that Senator Stubbs be added to Committee on Internal Improvements. Adopted.

Senator Moore offered the following resolution:

Resolved, That every bill or resolution amending or repealing any one of the Revised Civil Statutes or Criminal Code, or any article or provision of the Constitution, the same favorably reported on by the committee, shall be printed before any further action thereon is had by the Senate.

Referred to Committee on Rules.

The hour for the special order having arrived, which was Senate bill No. 5, entitled "An act to give orders of sale foreclosing liens upon real estate the force and effect of writs of restitution," the same was taken up, the second committee amendment pending.

Senator Cooper offered the following as a substitute for pending committee amendment:

As against the defendant in the suit for foreclosure, and those having possession of such real estate, acquired by purchase, descent or

lease from said defendant, after the institution of said suit of foreclosure.

Adopted.

Senator Wynne offered the following amendments: Amend by inserting between the words "any" and "lien" in seventh line, the word "vendor's." Also amend by inserting between the words "lien" and "upon," in seventh line, the following: "or lien created by mortgage or deed of trust."

Senator Gooch offered the following as an amendment to the amendment of Senator Wynne: Insert after the words "vendor's lien," in first section, the words "mechanic's, furnisher's or laborer's lien."

Senator Houston offered the following amendment: Insert in caption, before the word "liens," the words "certain classes of."

The President ruled the amendment out of order, under the rules, as two amendments were pending.

On motion of Senator Terrell, the amendment of Senator Houston was received, pending a motion to recommit.

Senator Buchanan of Wood offered the following amendment, under the same courtesy of the Senate: Amend by inserting after the word "judgment," in line 6, the words "rendered."

On motion of Senator Shannon, the bill under consideration, with all the pending amendments, was re-referred to Judiciary Committee No. 1.

On motion of Senator Martin of Cook, 100 copies of Senate bill No. 7, entitled "An act to create a commission to sell and lease the public lands of the State of Texas," were ordered printed.

On motion of Senator Shannon, Senator Stewart's unavoidable absence for three days, at the beginning of the session, was excused.

Senator Buchanan of Grimes, chairman of the Committee on Engrossed Bills, submitted the following report:

COMMITTEE ROOM,
AUSTIN, January 17, 1881.

Hon. J. D. Sayers, President of the Senate:

Your Committee on Engrossed bills have examined joint resolution No. 4, being a joint resolution in regard to the port of Galveston, and find the same correctly engrossed.

BUCHANAN of Grimes, Chairman.

The joint resolution was read third time and adopted by the following vote:

YEAS—28.

Buchanan of Wood,	Houston,	Ross,
Buchanan of Grimes	Lair,	Shannon,
Burton,	Lane,	Stewart,
Cooper,	Lightfoot,	Stubbs,
Davenport,	Martin of Cooke	Swain,
Duncan,	Martin of Navarro,	Terrell,
Harris,	Moore,	Tilson,
Henderson,	Patton,	Weatherred,
Hightower,	Rainey,	Wynne.
Homan,		

NAYS—none.

NOT VOTING—2.

Burges,

Gooch.

Senate bill No. 6, entitled "An act for the relief of all persons whose lands have been sold for taxes and bought in by the State," was taken up, read second time, and ordered engrossed.

Senate bill No. 3, entitled "An act to amend article 314 of the Penal Code," was taken up, read second time, and committee amendment adopted.

Senator Houston offered the following amendment: Add after the word "five" the word "dollars." Adopted.

Senator Duncan offered the following amendment: Strike out "or vulgar" where it occurs in the bill. Lost.

Senator Stewart, by leave, submitted the following report:

COMMITTEE ROOM,
AUSTIN, January 16, 1881.

Hon. J. D. Sayers, President of the Senate:

Your Judiciary Committee No. 2, to whom was referred a bill to be entitled "An act to amend article 316 of the Penal Code of the State of Texas," beg leave to report that they have considered the same, and I am instructed by a majority of the committee to report the bill back to the Senate, with the recommendation that it do not pass.

STEWART, Chairman

The undersigned Senators, of Judiciary Committee No. 2, submitted the following minority report:

COMMITTEE ROOM,
AUSTIN, January 17, 1881.

Hon. J. D. Sayers, President of the Senate:

The undersigned, of Judiciary Committee No. 2, respectfully dissent from the report of a majority of said committee upon Senate bill No. 11, "To amend article 3 6 of the Penal Code." Said bill seeks to suppress the burning or discharging of fireworks on public squares, streets and alleys of cities towns and villages in this State and in the judgment of the undersigned should become a law. W, therefore recommend that said Senate bill No. 11 do pass.

W. K. HOMAN,
R. M. WYNNE,
W. W. WEATHERRED.

The President, after reading its caption, signed Senate bill No. 9, entitled "An act making an appropriation to pay the contingent expenses of the Seventeenth Legislature."

The following special messages were received from his Excellency the Governor:

EXECUTIVE OFFICE, STATE OF TEXAS,
AUSTIN, January 15, 1881. }

To the Honorable Senate and House of Representatives, in the Legislature assembled:

Gentlemen—I herewith transmit to you special messages on the subjects of special school funds loaned to railroad companies; on the sale and exchange of bonds, and on appropriations and expenditures under the control of the Governor. These, though in the shape of messages, are in the nature of reports to the Legislature. The Printing Board have had a sufficient number printed in advance for the use of the Legislature, which will be distributed.

Respectfully submitted,
O. M. ROBERTS, Governor.

THE STATE OF TEXAS, EXECUTIVE OFFICE, }
January 11, 1881. }

To the Honorable the Senate and House of Representatives, in the Legislature assembled:

The subject to which your attention is herein called, is the indebtedness from certain railroad companies to the public free school fund, arising upon the loan made by the State from that fund to said companies, under the act of August 13, 1856, and to the disagreement existing between the officers of the State treasury and the officers of said companies in regard to the amount of said indebtedness, and especially to the action of the Houston and Central Texas railway company, in having failed to continue to pay the interest on the debt claimed to be due upon the indebtedness of the Washington County railroad company, now consolidated with the said Houston and Central Texas railroad company.

On the twelfth day of November, 1879, the Comptroller sent to me the following letter and statement of account, showing the state of the indebtedness of said company, and the failure to pay the interest and sinking fund on the same:

COMPTROLLER'S OFFICE,
AUSTIN, November 12, 1879.

His Excellency O. M. Roberts, Governor:

Sir—The Houston and Texas Central railway company having failed to pay within the time prescribed by act of August 13, the interest and sinking fund due by them on account of the Washington County railroad, I beg to hand you herewith a statement of the account of Washington County railway company, as it appears from the files and records of this department, for such action as you may deem advisable to be taken.

Very respectfully,
STEPHEN H. DARDEN, Comptroller.

The statement shows said debt to be on the first day of May, 1866, principal \$37,017, and interest \$2,548. These payments in State warrants constitute the matter in controversy, and the company claims that they should be allowed, and if allowed, that the payments of the interest that have been made, as interest under protest, is sufficient to extinguish both the interest and principal of the debt of the Washington County Railroad Company. The authorize in control of the State government in 1870 declined to recognize them as valid payments, which is deducible from the records of the Comptroller's Office, after the reorganization of the State government in 1870 to 1874. This account was transferred from Ledger B to Ledger C, and entries therein made, partly while Hon. Morgan Hamilton was Comptroller, and partly while Hon. A. Bledsoe was Comptroller, in which it appears that the amount of the principal of the debt, as footed up in Ledger B, is not changed, but is still put down as \$37,017. It was again transferred and re-stated during the time Hon. A. Bledsoe was Comptroller, in Ledger D, in which statement there is no amount of principal stated. Which statements in Ledgers C and D are as follows:

*Washington County Railroad.**

DEBTOR.

Date of Loan.			Principal.	Interest.
Oct. 1, 1866...	To balance Ledger B.....	54	\$37,017 00	\$2,221 02
Mar. 1, 1867...	balance Ledger B.....	82		332 88
Mar. 1, 1867...	Int. on R. R. bonds.....	82		2,221 02
July 31, 1868...	" " ".....	188		2,221 02
Mar. 1, 1869...	" " ".....	241		2,221 02
Mar. 1, 1870...	" " ".....	302		2,221 02
May 31, 1871...	" " ".....	381		3,092 34
Aug. 30, 1871...	" " ".....	395		3,106 90

CREDITOR.

Date of Payment			Principal.	Interest.
Jan. 1, 1867...	By D. W., No. 7.....	61		\$317 98
Oct. 26, 1870...	S. D. W., No. 3.....	335		3,106 90
Oct. 26, 1870...	" " ".....	335	\$1,035 63	
May 1, 1871...	" " ".....	379	1,030 88	
May 1, 1871...	" " ".....	380		8 30
May 1, 1871...	" " ".....	380		3,084 04
Aug. 31, 1871...	Bal. to Ledger D.....	52		

*Folio 59, Ledger C.

*Washington County Railroad.**

DEBTOR.

Date of Loan.			Principal.	Interest.
May 31...	To interest on bonds.....	36		\$6,057 87
Nov. 30...	Interest on bonds.....	70		2,994 48
Dec. 1...	sales gold.....	73		367 06
May 1...	interest on bonds.....	103		2,962 52

CREDITOR.

Date of Payment			Principal.	Interest.
Nov. 3, 1871...	By S. D. W., No. 8.....			\$3,035 20
Nov. 3, 1871...	" " ".....		\$1,017 73	
May 7, 1872...	" " ".....		1,007 55	
May 7, 1872...	" " ".....			3,022 07
Nov. 9, 1872...	" " ".....		997 48	3,351 54
May 8, 1872...	" " ".....		987 51	
May 8, 1872...	" " ".....			2,962 52
Nov. 7, 1872...	" " ".....			2,932 90
Nov. 7, 1872...	" " ".....		977 65	

*Folio 52, Ledger D.

There was indeed no re-charge of the principal and interest paid on treasury warrants in 1864 and 1865, in the record books of the office, until it was made when Hon. S. H. Darden became Comptroller, in 1874, when it was done as shown in the first statement of the account, which puts down the principal of the debt as having been, on the first day of May, 1870, \$108,840.01, it being the principal and interest due up to that time, the payments made in State treasury warrants, both of principal and interest, being excluded, and that being the amount claimed to be due by the Comptroller, as shown by the payment of interest and sinking fund from November 1, 1870, to November 1, 1873, while Hon. A. Bledsoe was Comptroller.

This re-charge to the principal was made, in Ledger E, page 617, for the purpose of making the principal in the books correspond with the interest that had been paid previously under the law of August 18, 1870. There is, however, in a memorandum book found in the Comptroller's Office, without signature and without date, entries made in the time that the Hon. A. Bledsoe was Comptroller, as follows (Exhibits A and B):

EXHIBIT A.

Washington County Railroad.

DEBTOR.

		Principal.	Interest.
June 6, 1859...	To loan 5 per cent U. S. bonds.....	\$64,000	
	" "specie.....	2,000	
Mar. 1, 1870...	Interest on bonds to date.....	\$66,000 00	\$41,730 65
		66,000 00	41,730 65
	To balance due March 1, 1870.....	64,680 00	38,513 22

CREDITOR.

		Principal.	Interest.
Feb. 28, 1860...	By deposit.....		\$2,899 45
June 6, 1860...	deposit.....	\$1,320 00	
Jan. 1, 1867...	deposit.....		317 98
March 1, 1870...	balance brought down.....	64,680 00	38,513 22
		\$66,000 00	\$41,730 65

EXHIBIT B.

(copy.)

Washington County Railroad.

Amounts due first of May, 1870, viz:

Principal.....	\$64,680 00
Interest.....	39,160 01
Total.....	\$103,840 01

Six months interest upon above aggregate amount, in compliance with act approved August 13, 1870..... \$3,115 20
Two per cent sinking fund, under act as above..... 1,038 40

Total amount due November 1, 1870.....	\$4,153 60
Amount not paid.....	4,153 60
Add to next payment, November 1, 1871.....	\$11 07

These memoranda, thus found, explain the construction placed by the Comptroller, Hon. A. Bledsoe, upon the act of the Legislature of the thirteenth of August, 1870, being "An act for the relief of railroad companies indebted to the State for loans from the special school fund."

By that law, section 1, it was provided that "any railroad company indebted to the State for loans from the special school fund, may avoid the sale of its railroad for the non-payment of the principal or interest, by the payment into the treasury of the State, on the first day of November, 1870, of six months interest on the aggregate amount on account of said loans, principal and interest, as said aggregate amount stood on the first day of May, 1870, and by the payment in addition on said first day of November of one per cent on said aggregate amount, to be applied toward the sinking fund, provided for by existing laws in respect to said loans, and by continuing to pay into the treasury of the State six months interest, and one per cent on account of said sinking fund semi-annually, thereafter, to-wit: on the first day of May and November in each year." (General Laws of 1870, page 87.)

By section 8 of said act three other beneficial concessions were made to said companies, one of which was, that as long as these payments, as prescribed in section 1, were paid, the State would not demand the principal; another, that they could pay the whole of the principal at any time, upon giving the Governor thirty days notice; and another, that the lien of the State should not attach to any extension of its existing road thereafter constructed.

Attention is now called to the expression in section 1, above quoted: "Six months interest on the aggregate amount due on account of said loans, principal and interest as said aggregate amount stood on the first day of May, 1870." If, by the use of these words, the Legislature intended to fix the aggregation of principal and interest on that day to be thereafter the principal, by the account as it stood on that day in the record books of the Comptroller's office,

such legislative intention would have been, so far as the Legislature has power to do it, a recognition of the payments made in State treasury warrants, as it is plain to be seen in the entries up to that time, in the copies set out from Ledgers B, C, and D.

The words do not literally import such an intention, by a reference to the account in the book of the Comptroller's office, but may well bear the construction that the amount legally due on account of the loans, principal and interest, should be aggregated as it existed on May 1, 1870, that is strengthened by the memorandum found in the letter book in the Comptroller's office, previously exhibited, marked Exhibit A, which is an estimate of principal and interest due on the first of March, 1870, leaving out the payments in State Treasury warrants, and as it must have been for some practical purpose, it may have been made by the direction of the Hon. A. Bledsoe, Comptroller, to give information to the Legislature, preparatory to the passage of the act of the thirteenth of August, 1870.

It is but just, however, to refer to a fact which may lead to a different construction of legislative intention than that evidently made on this part of the law by the Comptroller, A. Bledsoe, which is an expression in another law, passed by the same Legislature, (if, indeed, it was passed into a law, which has been questioned), being found in the special laws of that session, with an explanation by the then Secretary of State of how it came into his office after the end of the session, purporting to have been passed over the Governor's veto in the House of Representatives on the sixth, and in the Senate on the fifteenth of August, 1870. (See Special Laws of the Twelfth Legislature, called session, page 325.)

This law is entitled "An act for the relief of the Houston and Texas Central Railway Company."

It consolidates and merges the Washington County railroad into the Houston and Texas Central Railway Company, and authorizes its extension to Austin. It authorized an exchange of the loan bonds of the special school fund, given by said two companies, to the amount due first of July, 1870, for the "seven per cent land grant sinking fund, first mortgage, gold interest-bearing bonds of said company." (See section 2.)

In the same section, it is provided that "in making the settlement herein provided for, the Houston and Texas Central Railway Company shall be allowed a credit for the sums paid in treasury warrants of the State during the years 1864 and 1865, by the said company and by the Washington County Railroad Company, upon the accounts on which said sums were respectively paid by said companies, the said sums amounting, in the aggregate, to \$152,864 55." This act was certainly before the two houses of the Legislature at the same time the one was that is first referred to, which was approved on the thirteenth of August, 1870, as it may be inferred from the time it was vetoed by the Governor and passed by the two houses over the Governor's veto.

An examination of the proceedings of both houses at that session has been made, and it is found that, as the record of them appears, this act did pass both houses, over the Governor's veto, during the session of the Legislature. The exchange of bonds was never made, and the reason it was not, does not appear from any records in the Comptroller's Office, or anywhere else, so far as I know or am informed.

At the time I was informed by the Comptroller (November 12, 1879), of the default to pay the interest and sinking fund by the Houston and Texas Central Railway Company, due from the Washington County Railroad Company, (the accounts having been kept separately); there had been no decision of the Supreme Court upon the validity of, or existence of this act as a law.

Since that time, during the late term of the Supreme Court at Austin, the existence of that act, as being a law, did arise, in the case of the Houston and Texas Central Railway Company vs. B. M. Odom, simply involving the right to extend the road into the city of Austin, (or some such question), and not relating to its validity as an act to change the securities of the school loan, or to fix the amount of the indebtedness of the company to said fund. In that case, the Supreme said: "The court (below) admitted the act to be read from the published special laws certified to by the Secretary of State, and as it seems a concluded fact that the journals show its passage by the required 'two-thirds of the members of the members present of each House,' it is not material whether it was properly certified or not."

This case only decided its existence as a law upon the "concluded fact," and its validity to authorize the extension of the road to the city of Austin, and it is well established that an act may be valid in part, and not valid for all purposes provided by it, and therefore its competency to change the securities of the school fund loan, and to fix the amount of the debt of the company, under the act of the thirteenth of August, 1870, in the general laws, has not yet been determined by the Supreme Court.

I have deemed it proper to bring plainly and fully to the view of the Legislature all of the facts, records and laws pertaining to this

controversy, so far as I have been enabled to ascertain them—first, to show why I did not believe it for the interest of the State for me to undertake an advertisement and sale of the road, and secondly, for such legislative action as may be deemed proper to bring this long-continued disagreement to a satisfactory conclusion, if possible.

The amount of this default is small compared to the whole amount involved in the question, that being over one-half a million of dollars, principal and interest of the school fund, owing from that and other railroad companies.

If the attempt had been made to advertise and sell the road, there are grounds that could and would have been sufficiently plausible to have obtained an injunction restraining the sale, which would have been most probably obtained from the Federal court, and a sale, under the clouds overhanging this matter, backed by such an injunction, would have sacrificed whatever interest the school fund has in the loan debt on the road.

Had the Governor bought in the road for the security of the fund, as permitted by the law, and appointed a receiver, without any appropriation to defray the expenses of and employment of persons running the road, it would have been impracticable to use it to any profitable purpose.

There has been no authoritative legislative determination fixing the amount of the debt having reference to the legality or illegality of the credits which constitute the matter of controversy.

In the law of 1856, under which these loans to railroad companies were made, there is a provision in the following language, to-wit: Pas. Dig. "Art. 3512 (14). The State of Texas expressly reserves the right to enact hereafter all such laws as may be deemed necessary to protect the interest of the special school fund in securing the payment of said bonds and in enforcing the lien reserved thereon."

This is an important reservation, which will enable the Legislature to remove all the obscurity of construction, and enable the executive officers of the State to act under and in accordance with the expressed and plain directions of the Legislature, without the risk of involving the State in expensive litigation upon a possible misconstruction of the law, and means can be provided in advance to enable them to subserve the interests of the State in a practical manner.

With regard to the merits of the controversy, I beg leave to submit the cotemporaneous construction of the law of the thirteenth of August, 1870, by the executive officers of the State, as exhibited by the amount of interest required to be paid, is most likely to have been in harmony with the intention of the Legislature in fixing the aggregate debt, and the railroad companies, for whose relief the act was passed, were likely to have known and well understood such intention. They accepted the benefits of the act which saved them from the sacrifice and ruin of their interests, and should be required to comply with such interpretation of the law as would justly protect the interests of the fund of the public free schools that was loaned to them, and by which loan they were enabled to build the roads.

As to the legal aspect of the controversy relating to the Washington County railroad, as well as others, I respectfully refer to the annexed opinion of the Hon. George McCormick, as Attorney-General of the State, who, at my request, investigated the matters involved, and gave his opinion thereon.

Respectfully submitted,

O. M. ROBERTS, Governor.

ATTORNEY-GENERAL'S OFFICE,
AUSTIN, December, 1880.

His Excellency O. M. Roberts, Governor of Texas:

Sir—I have the honor to acknowledge the receipt of your communication of date, the ninth instant, calling my attention to matters connected with the loan of its school fund to railroad companies and requesting a report from this office of its history and legal complications, in which you also request that I suggest such remedy for the settlement of the pending controversy between the State and the companies as I may deem proper and just; and that, in considering the questions involved, you desire me to consider and present separately the law and facts relating to the Washington County Railroad Company, now claimed by and under the control of the Houston and Texas Central Company, etc.

In answer to the communication, I beg leave to respectfully submit the following:

The records in the Comptroller's office show that the following loans of the special school fund were made to the following railroad companies, to-wit:

1. To the Buffalo Bayou, Brazos and Colorado Railroad Company, now owned by the Galveston, Harrisburg and San Antonio Company, the sum of \$420,000, and between the first day of March, 1858, and the nineteenth day of December, 1859.

2. To the Texas and New Orleans Railroad Company the sum of \$430,500, and between the twenty-sixth day of April, 1860, and the nineteenth day of January, 1861.

3. To the Houston Tap and Brazoria Railroad Company the sum of \$300,000, and between the twenty-second day of December, 1859, and the twelfth day of October, 1860.

4. To the Houston and Texas Central Railroad Company the sum of \$450,000, and between the thirteenth day of April, 1857, and the second day of August, 1859.

5. To the Washington County Railroad Company the sum of \$66,000, on the twenty-eighth day of June, A. D. 1859.

6. To the Southern Pacific Railroad Company the sum of \$150,000, on the thirty-first day of May, 1862.

It thus seen that all the loans made were so made between the thirteenth day of April, 1857, and the thirty-first day of May, 1862.

The act under which these loans were made was passed August 13, 1856 (General Laws 1856, page 31); this original act was amended August 26, 1856 (General Laws, page 57); and again on January 22, 1858 (General Laws 1858, page 57). An examination of these amendments will show that they cut no figure with the questions now under consideration, as neither do the acts of January 11, 1862, and January 14, 1862.

As the first act, January 11, 1862, was intended to relieve the companies who had borrowed the fund by extending the time within which the interest and sinking fund should be paid, until January 1, 1864, or until six months after the termination of the war then being waged, and contained a proviso that the act in no wise should impair the lien of the State, etc.; and the act of January 14, 1862, provided for the reinvestment of the fund, etc., or rather the repeal of the act of February 13, 1860; these acts, it is submitted, do not in any manner affect the questions now being considered, but are simply referred to as part of the history of the transactions between the State and the companies. (P. D., arts. 3517, *et seq.*)

We come now to the consideration of the acts of December 13, 1863, and of May 28, 1864, and November 15, 1864. (See P. D., arts. 3522, *et seq.*)

The act of December, 1863, authorized the Comptroller to receive from the railroad companies indebted to the special school fund, all interest on their bonds then due, or to become due, provided the same were tendered previously to the meeting of the succeeding regular session of the Legislature.

This act was amended on May 28, 1864, so that its provisions should not apply to any company that should fail or refuse to take such bonds or warrants for freight and passage, at par with specie, etc. (See P. D., arts. 3524, etc.)

Again, on the fifteenth day of November, 1864, an act was passed, permitting these companies so indebted to the special school fund, to continue to pay the interest thereon in the warrants, bonds and coupons of the State, and to discharge the whole or any part of the principal of their indebtedness in the same manner, provided they should satisfy the Comptroller that the warrants, bonds and coupons of the State are received by them at par with specie for freight and passenger travel, etc. (See General Laws 1864, page 14, P. D., arts. 3528 and 3529.)

Under this legislation, to-wit: the acts of 1863 and 1864—above referred to—the Brazoria Bayou, Brazos and Colorado Company, the Houston and Texas Central Company, and the Washington County Railroad Company claim to have made large payments to the State in her bonds, warrants and coupons. (See Comptroller's report.)

These payments, if payments they may be called, appear to have been made between January 20, 1864, and May 11, 1865, and to aggregate the sum of \$250,833, not including those made by the Houston Tap and Brazoria road, afterwards sold out by the State.

This brings us to a consideration of the laws of the State upon the subject involving these loans, passed since the close of the war in May, 1865.

The Constitutional Convention of 1866 declared by ordinance, among other things, that all debts created by the State of Texas in aid of the late war, directly or indirectly, should be null and void, and that the Legislature should have no authority to assume or make any provision for the payment thereof. (See ordinance No. 2.)

In addition to this the Legislature was forbidden by ordinance of the convention to assume or provide by taxation or otherwise for the payment of any claim or pretended liability of the State to this special fund, except to provide for issuing coupon bonds of the State for the amount thereof that had been transferred from the university fund to State revenue account in February, 1860. (See ordinance No. 12, convention 1866.)

It is unnecessary to consider further the provisions of the constitution of 1866, and the ordinances of the convention which framed it than to say that, in so far as the convention was concerned, it did nothing that could be construed as changing the status of this fund.

The next legislation upon this subject is found in the constitution of 1869.

This instrument required the Legislature to invest the principal of the school fund in the bonds of the United States government, and forbid its investment in any other security, (Section 9, article 9.)

And declared that, as a basis for the establishment and endowment of public free schools, all the funds, lands and other property heretofore set apart and appropriated, or hereafter set apart and appropriated for that purpose, should continue the public school fund, and that no law should ever be passed appropriating such fund for any other use or purpose whatever. (Section 6, article 9.)

The first Legislature assembled after the adoption of the constitution of 1869, on the thirteenth day of August, 1870, passed an act entitled "An act for the relief of railroad companies indebted to the State for loans from the special school fund." (General Laws, 1870, page 85.)

This act, as its preamble recites, was intended to relieve the said companies from the penalty incurred by their failure to pay the interest and sinking fund upon the sums borrowed from the State.

This act permitted companies so indebted to avoid the sale of their roads by paying into the treasury on the first day of November, 1870, six months interest on the aggregate amount due on account of said loans, principal and interest, as said aggregate amount stood on the first day of May, 1870; and by the payment in addition on said first day of November of one per cent upon said aggregate amount, to be applied toward the sinking fund provided for by the then existing laws in respect to said loans, etc., and by continuing to pay into the treasury of the State six months interest, and one per cent on account of said sinking fund semi-annually thereafter, to-wit: on the first days of May and November of each year.

The second section of this act provides that if any company shall fail to comply with the foregoing provisions, and pay the amounts as therein required, that the whole of the debt, etc., should become due and payable at once, and that the Governor should proceed to sell all the property of such company—the sale to be made and conducted as provided in the act of August 13, 1856.

It will further be noticed that this act also permitted companies which desired to do so, to pay the amount of such indebtedness at any time after giving the Governor thirty days notice thereof.

The next legislation on this subject is the act of the Twelfth Legislature, entitled "An act for the relief of the Houston and Texas Central Railroad Company," found among the volume of special laws, on page 325.

This bill has a history replete with interest which will, no doubt, be known some day, but for the purposes of this communication, I shall notice it only in so far as it may affect the questions under consideration.

It may be assumed, that in so far as this act seeks to affect the special school fund, loaned to the Houston and Texas Central Company, and the Washington County Railroad Company, it would be construed with the general law cited above, as two laws upon the same subject, passed at the same session of the Legislature, the former a general, and the latter a special act.

In the case of the Houston and Texas Central Railroad Company against B. M. Odam, decided by our Supreme court, at its late Austin term, the question as to the constitutionality of the special act under consideration was in a measure passed upon by the court.

It will be noticed that the act provided for the consolidation of the Washington County road with the main company, which it appeared had been done under its provisions. The court say "that the portion of the act which authorized the extension to Austin was constitutional; the passage of the act over the Governor's veto was sufficiently proved by the journals, etc." but the question as to the authority of the Legislature to interfere with the investment of the school fund, and re-invest it in another and different way, was not passed on by the court.

Gov. Davis, in his veto message on this bill, took the ground, among other reasons given, that the bill was unconstitutional, because in contravention of section 9, of article 9, of the Constitution, heretofore referred to. This message is an able and honest State paper and deserves a careful consideration. For myself, I am free to say I heartily concur in the conclusions reached by the then Governor, that the act of 1870, in so far as it attempts to re-invest or divert this fund, was unauthorized and void. I quote from the message of the Governor. He says: "It (this bill) undertakes, after attempting to consolidate the Washington County Railroad Company with the Central, to make an investment of a portion of the school fund that had been loaned to the two companies named, prior to the adoption of the present Constitution, in new bonds of the Central, (which the preamble of the act says are *issued* while the body says *are issued or to be issued*) and to release \$152,864 65 of the school money altogether."

The next and last legislation on the subject under consideration will be found in the general laws of 1875, page 52. This was simply an amendment to the general act of 1870, giving relief to the companies, by adding a proviso, requiring companies who claimed the benefit of the act of 1870, to keep their roads in good running order, etc.

Under the present Constitution, all funds, lands and other property, heretofore set apart and appropriated for the support of public schools, is declared to be a perpetual school fund, and the Legislature is forbidden from appropriating any portion of this fund to any other purpose whatever. (See article 7, sections 2, et seq.)

Having given you this brief outline of the laws, under which the loans were made, and the acts passed for the relief of the companies thus indebted, I now come to speak more directly, in answer to your question, of the matters in controversy between the State and these companies.

If I am correctly informed, at the time of the relief bill of 1870, the companies were all in default and were liable to be sold out by the Governor, as provided by the terms of their contract. The design of this act was to give them time; and, as it were, re-state their accounts, so as that, upon their compliance with its terms and conditions, the sale might be avoided. As a condition precedent, the accounts were to be stated on the books of the Comptroller as they stood on the first day of May, 1870, and the payment of interest and sinking fund was to be upon that basis. (General Laws, 1870, page 85, section 1.)

Now, the authorities in charge of the State's interest at the time of the passage of this relief act of 1870, in re-stating the accounts between the companies and the State, as provided by the act, or rather in arriving at the true state of these accounts, as shown by the books of the Comptroller, on May 1, 1870, refused to credit them with the amounts claimed by them to have been paid in State warrants prior to 1865, under the several acts of the Legislature, passed during the war, and deducted these amounts and stated the account, as if no such payments had been made.

All the companies, I believe, except the Houston Tap and Brazoria, accepted this settlement, made the payments of interest and sinking fund, as required by the act, and preserved their property from sale. The latter company, not complying with the terms of the act, was sold out by the Governor, and the lien upon its property for the loan made it, was thereby extinguished.

But it is but just to say that while the companies accepted the terms of the settlement thus made, and paid the amount required upon the basis indicated, they paid it under what they were pleased to term a protest.

The Central company, claiming to own the Washington County company, under the special act of incorporation, continued to pay for the latter company the interest and sinking fund required under the settlement of 1870, until its payments had reached what it conceived to be the amount due the State, after crediting itself with the Confederate payments made before 1870, and then refused to pay at all, although the books in the Comptroller's office show, if the Confederate payments are not allowed, it to be indebted to the fund in the sum of \$86,655.90 principal, and \$2,599.67 interest on the first day of November, 1879. It is also understood that so soon as the other companies have paid what they conceive they owe, after crediting themselves with the amounts paid during the war in Confederate currency, they will likewise refuse to pay more and leave the State to her remedy at law. It appears then that the amount in controversy involves the sum of \$250,000, amount of the original payments in war currency, and six per cent interest thereon from the date at which it is claimed these payments were made, the whole being, perhaps, a half million of dollars.

From the examination I have been able to give the subject, and I am sorry to say it has been a hurried one, I have reached the following conclusions, and which I trust are fully warranted by the recitals hereinbefore made:

1. That the act of 1856, under which the loans were made, authorized the Governor to enforce the terms of the loan and sell the property of any company failing to pay interest, sinking fund and principal as they became due, and is now in force, except in so far as it was modified by the general act of 1870. (General Laws 1856, page 81; General Laws 1870, page 85; Revised Statutes, Final Title, article 9.)

2. That the special act of 1870, providing for the relief of the Houston and Texas Central Company, is constitutional only in so far as it provides for the merging of the Washington County Company with that company, and other matters connected directly therewith, and should not be respected in any matter connected with the special school fund which these companies had borrowed from the State, which it attempts to affect. (Special Laws 1870, page 325.)

3. That the alleged payments of the companies in war currency, under the acts of 1863, and 1864, are not proper credits on their accounts with the State for the loan made them.

That by accepting the terms of the general relief bill of 1870, they are estopped from now asserting such claims, even if it should be considered these payments were legal, which is denied.

That the effect of this act was to give these companies further time within which they might pay their indebtedness to the State—

they being in default and liable under their contract to be sold out—which relief they accepted, and thereby avoided such sale; and they cannot be permitted to avail themselves of that portion of the act beneficial to them, and avoid that portion of it beneficial to the State.

In conclusion, permit me to say that, owing to the complications which have arisen on this subject, and the evident disposition on the part of the companies to defeat this just claim, and thereby reduce the school fund of the State at least half a million of dollars by claiming credit for payments made in a worthless and unconstitutional currency, some of which was placed in the State Treasury more than a month after the surrender of the armies of Lee, I suggest that this whole subject be referred to the Legislature at its coming session, to the end that such changes and amendments be made to the laws authorizing the Governor to enforce the payment of these loans as may be thought necessary and proper.

It may also not be considered out of place to say in this connection that the law does not now give the State either a proper or effective remedy for enforcing these claims, and that the act under which the contracts for the loans were made especially provided that the right to enact thereafter all such laws as may be deemed necessary to protect the interest of the special school fund in securing the payment of the bonds issued by the companies and in enforcing the lien upon their property should be reserved to the State.

I have the honor to be very respectfully, etc.,

GEORGE McCORMICK, Attorney-General.

THE STATE OF TEXAS, EXECUTIVE OFFICE,
January 11, 1881.

To the Honorable the Senate and House of Representatives in the Legislature assembled:

An act was passed by the Sixteenth Legislature, which was approved and took effect April 21, 1879, "to provide for the issuance and sale of bonds for the purpose of retiring the outstanding bonds of the State, and to supply the deficiencies in the revenue, and to provide the mode and manner of the sale of said bonds."

In said act it was required that "the Governor shall be vested with the authority to carry into operation the provisions and intentions of this act, in such manner and upon such plan as he may deem proper, wise, and for the best interest of the State." (Section 4.) It will be proper, therefore, that I shall give information in the nature of a report of what has been done in the business of the State thus entrusted to my direction.

Said act provided for the issuance of bonds to the amount of \$3,573,000, divided into three classes:

Of the denomination of \$5, the sum of \$800,000; of the denomination of \$10, the sum of \$200,000; of the denomination of \$100, the sum of \$1,000,000; of the denomination of \$1000, \$1,573,000.

The \$5s and \$10s are of the same class, and bear four per cent interest, and the \$100s and \$1000s bear five per cent interest.

The first object in the execution of the law was to get the bonds engraved, as required by the act, for which an appropriation of \$5000 was made in said act, and an additional appropriation was made at the special session in 1879, of \$5000 more, found necessary on account of the price for engraving the bonds of the denominations of five and ten dollars. (See laws of regular session, page 124, section 16, and of special session, page 45.)

In doing this, I was aided by the Comptroller, Hon. S. H. Darden, who engaged the assistance of the firm of S. M. Swenson, Son & Co., of New York, who secured the work of engraving of the bonds to be done as soon as practicable, and had them forwarded to Austin.

As soon as practicable the Hon. S. H. Darden was sent to New York to negotiate the sale of said bonds, an appropriation of five hundred dollars having been made in said act to bear his expenses, while thus employed, and one million of dollars worth of the bonds of the denomination of \$1000 were sent there for negotiation and sale. The market was not favorable for sale at that time, it being after the business season had opened in said city in 1879, and he returned without making a sale of any of them, having left the said one thousand bonds, duly executed, under the care and control of said firm of S. M. Swenson, Son & Co.

Afterward an effort was made to enlist in the negotiation and sale of said bonds, Mr. Chas. M. Fry, the president of the Bank of New York, who was acting as the agent of the Treasurer of the State (Hon. F. R. Lubbock), in paying the interest upon our bonds payable in New York. Upon his consenting to do so, I executed to him a full power of attorney to sell said bonds, and took the necessary steps to place those then in New York under his care and control. In this, as well as in all of the subsequent transactions in relation to the sale of said bonds, I had the valuable aid of the Treasurer, the Hon. F. R. Lubbock. Immediately after a full representation, made by me to said Chas. Fry, of the financial condition of Texas, of our resources and of the policy that had been inaugurated, he at once took \$50,000 of the bonds on his own account—of which he

gave notice promptly to the State Treasurer. That at once brought our five per cent bonds in demand in the market; and all that we could sell, to retire the outstanding ten per cent bonds, were sold promptly in New York and in Texas. The State of Texas is under obligation to Mr. Chas. M. Fry for his generous and intelligent confidence in our ample capacity to meet our engagements, and for the interest which he took in sustaining our credit by his influence, when the amount of compensation of one-fourth of one per cent could not have been an adequate inducement for his effort in our behalf.

The four per cent bonds, of the denomination of \$5 and \$10, were provided for in the act under the expectation that they could be used at the Treasury, in the payment of the current debts of the State, in the absence of sufficient money as revenue, to meet the demands presented.

It happened, however, that from and after the first day of May, 1879 (which was before any of the said bonds had been engraved and delivered), there was and has been in the State Treasury money sufficient to pay all claims against the State—for which there was an appropriation—and consequently no one having said claims desired to receive said four per cent bonds in payment. The small number of them that have been sold, though held subject to be sold all the time on demand, have been sold mainly to those who purchased or received them upon some fancy of their own, quite foreign to any idea of an investment. The money for which they were sold has been invested in other State bonds bearing a higher interest, except a very few dollars now on hand, being only \$3.43. While the five per cent bonds were in the market for sale, the four per cents could not be sold as an investment.

The business of the sale of the bonds having been transacted in the Treasurer's office, I here submit his account and statement of the same:

TREASURY DEPARTMENT, STATE OF TEXAS,
AUSTIN January 1, 1881.

Hon. O. M. Roberts, Governor:

Dear Sir—In compliance with your request, I hand you the following concerning the bonds engraved and sold under an act approved April 21, 1879, to-wit:

FIVE PER CENT BONDS.

\$1000 bonds engraved.....\$1,573,000
\$100 bonds engraved.....1,000,000

Total five per cent bonds engraved.....\$2,573,000

Of the \$1000 bonds \$97,300 were sold, leaving \$600,000 unsold which are now stored in the vaults of the Bank of New York at the rate of \$100 per year. Storage (\$100) from January 1, 1880, to January 1, 1881, has been paid. At my request the bank will store them after January 1, 1881, by the month, until some arrangement is made for their destruction or return to the vaults of this department. These bonds are complete, i. e., signed by the Governor, Comptroller, Treasurer, and countersigned by the Comptroller, and the coupons bear the lithographed signature of the Governor.

Of the \$100 bonds, \$144,800 were sold, leaving \$855,700 unsold, which are in the vaults of this department, and are unsigned; the coupons, though, have the Governor's lithographed signature.

Of the \$1,000,000 \$5 and \$10 four per cent bonds engraved, \$4920 were sold, leaving \$995,380 unsold, and in the vaults of this department. These bonds are complete, the bonds bearing the lithographed signature of the Governor and Treasurer, and the coupons the signature of the Governor.

The vault room for so large an amount of bonds is very great, and it is becoming difficult to store the large receipts of silver.

Four hundred thousand dollars of the five per cent bonds were sold in New York city by Charles F. Fry president of the Bank of New York. The cost of selling the same was as follows:

One-fourth of one per cent commission on \$400,000..... \$1000 00
Telegraphing..... 16 14
Moving bonds..... 2 00
Storage on unsold bonds..... 100 00

Total.....\$1118 14

In transferring the proceeds of these sales from New York to this department, exchange to the amount of \$483.48 was received, which, taken from the New York transaction, reduces the expenses to \$634.56.

The balance were sold at the Treasury as follows: \$143,700 issued to special funds in lieu of 10 per cent pension bonds; \$200,000 exchanged for 4 per cent revenue warrants as follows, viz:

\$13,000 to Eggleston & Bro. at 2½ per cent premium.. \$325 00
\$187,000 to Jas. H. Raymond & Co at 13-16 premium.. 2,220 61
\$373,600 sold for cash at par, excepting \$170,500 sold in lots of \$10,000 and upward, on which ¼ per cent commission was allowed

amounting to \$426.25, making total sold at the treasury, \$717,300.

The special funds, to which five per cent bonds were issued in lieu of ten per cent pensions at par, are—

Permanent school fund.....\$87,900 00
University land sales..... 44,400 00
Deaf and Dumb Asylum land account..... 3,500 00
Blind Asylum land account..... 4,400 00
Lunatic Asylum land account..... 3,500 00

Total.....\$143,700 00

The cost of engraving and placing in the Treasury of the whole issue of bonds (four and five per cent), under the act of April 21, 1879, is, as per data from the Comptroller's books, as follows:

Engraving bonds.....\$9,000 00
Exchange on remittances..... 45 00
Express charges..... 124 30

Total.....\$9,169 30

Balance to appropriation..... 830 70

Amount of appropriation.....\$10,000 00

The cost of each kind of bonds can not be ascertained without access to the correspondence and contract of the firm which did the work. This data is probably in the Executive Department.

The sales of five per cent bonds at the Treasury began with the \$200,000 exchanged for four per cent warrants in July, 1879. From that time to January 1, 1880, \$81,700 were sold. The sales were continued to April, 1880, when an amount had been sold at the Treasury and in New York, sufficient to redeem the outstanding ten per cent pensions; the sales were then discontinued.

The first sale in New York was made in March, 1880, at which time capitalists began to seek them, and had the State desired to do so, the whole issue of the fives could have been readily placed.

The pension bonds called and certificates paid are as follows:

Total pension bonds.....\$1,115,867 00
Total pension certificates paid..... 2,581 66

Total bonds and certificates.....\$1,118,448 66

Five per cent bonds issued.....\$1,117,300 00

Balance.....\$1,148 66

In addition to the amount of \$1,148.66, to be met with proceeds of five per cent bonds, there is the further sum of \$1,060.81, being commissions, etc., in the sale of the fives, making a total of \$2,209.47 to be met by a further sale, unless the Legislature should see proper to make an appropriation to cover the same.

The annual saving to the State, in interest, in consequence of the redemption of ten per cent pensions with proceeds of fives, amounts to \$55,721.70.

Trusting this will give the desired information and prove satisfactory. I am, very truly, etc.,

F. R. LUBBOCK, Treasurer.

The amount of the bonds, their condition, and the places where they are, being shown in this letter of the Hon. F. R. Lubbock, it remains for the Legislature now to determine what shall be done with them. The credit of the State has been so enhanced by the financial operations of the two years of my administration, that the last purchases of our seven per cent bonds ranged from \$1.16 to \$1.20, and they are not now generally in the market at all, but can only be bought up in small amounts, and when those holding them have use for ready money. We have wholly failed to make exchanges, as the law permits, of five per cent bonds for outstanding seven per cent bonds, as in propositions made to us for that, the best that has been offered, upon public notice having been given for that object, is to exchange our five per cents at the rate of 1.25 and 1.28 for seven per cent bonds.

The bonds have been taken up and the coupons destroyed, as required by said act.

I respectfully recommend that an appropriation of \$2,209.47 for expenses, etc., referred to in the Treasurer's letter, be made out of revenue on hand, so as to supersede the necessity of selling any more bonds to pay the same.

Two hundred thousand of the \$5 bonds were disposed of in payment of the four per cent deficiency warrants, as prescribed by said act.

There being a large amount of said warrants, more than two hundred thousand dollars, in the hands of different persons, it was determined, upon consultation with the Treasurer and Comptroller,

to advertise for bids, so as to give every one an equal opportunity to obtain their payments in bonds.

The bids were opened on the twenty-ninth of July, 1879, and the bonds awarded as shown by the annexed Exhibit A, and the transaction was immediately effected, as therein directed:

EXHIBIT A.

EXECUTIVE OFFICE, July 20, 1879, 12:10.

The Governor proceeded, in the presence of the Comptroller, Treasurer, and several bidders, to open bids, as per advertisement, for the \$200,000 five per cent bonds, when the following was the result:

- No. 1—Johns & Spence, \$20,000, 100s, at $\frac{1}{4}$ of 1 per cent prem.
- No. 2—Foltz & Donnan, \$2,828, 100s, at 1 per cent prem.
- No. 3—Louis DeTejada, \$800, 100s, at par.
- No. 4—Jas H. Raymond & Co., \$200,000, at 1 $\frac{3}{4}$ -16 prem.
- No. 5—Eggleston & Bro., \$13,000, 1000s, at 2 $\frac{1}{2}$ prem.
- No. 6—Eggleston & Bro., (per Chas. B. Comb.) \$900, 100s, at par.
- No. 7—Eggleston & Bro., (per N. Gussett.) \$700, 100s, at par.

In accordance with the above, it appearing that Messrs. Eggleston & Bro. are the highest and best bidders for \$13,000 of the denomination of \$1000, they having offered 2 $\frac{1}{2}$ per cent premium on that amount, the same is awarded to them.

Messrs. J. H. Raymond & Co. having offered to take \$200,000 at 1 $\frac{3}{4}$ -16 premium, the remaining amount of the \$200,000, say \$187,000, is awarded to them.

[Signed.]

O. M. ROBERTS, Governor.

To the Comptroller and Treasurer:

In adjusting these sales of bonds, allow interest on warrants (issued on deficiency claims) up to July 20, 1879, and charge interest on bonds disposed of up to date.

(Signed)

O. M. ROBERTS, Governor.

By this operation the \$200,000 in five per cent bonds were exchanged for \$202,545.61 in four per cent deficiency warrants, by which there was a saving to the State of \$2,545.61.

Respectfully submitted,

O. M. ROBERTS, Governor.

EXECUTIVE OFFICE,
January 11, 1881.

To the Honorable the Senate and House of Representatives in the Legislature assembled

There were several appropriations made by the Sixteenth Legislature, which were to be expended under the direction of the Governor, which it is proper to give some explanation of, in regard to the manner in which they have been acted on.

LAND FORGERIES.

In the deficiency appropriation, an appropriation of \$10,000 was made for "payment of the services of detectives, attorneys, informers and prosecutors employed in the detection and prosecution of land forgeries." It was provided that the governor should make a final settlement with such persons, and obtain their receipt and release of the State upon his approval of their claims, which was done as shown in the annexed statement marked Exhibit A.

Judge A. P. Foster was the detective previously employed to trace out these forgeries and aid in procuring the evidence to establish them. Messrs. Sheeks & Sneed were the attorneys employed to prosecute the cases for the State, in aid of the county attorney of Travis county. Said Foster exhibited his contract of employment, and the expenses incurred by him, in the prosecution of his said employment, and the amounts paid to him therefor.

Messrs. Sheeks & Sneed did the same, they having prepared a large number of indictments against a number of persons, secured the conviction, up to that time of a number of them, leaving the larger number still standing for trial, for all of which they had received but small compensation.

They being the persons mainly interested in the amount appropriated in the deficiency bill, and I, being satisfied, after a full investigation of their claims, that said amount was not an excessive compensation for their services, requested them, in my presence, to make a mutual adjustment of their claims so as to leave a small amount for any possible claim that might be presented; which they did, and their accounts were approved by me upon their executing a full receipt and release to the State for all services respectively rendered by them up to date of settlement, on the twenty-second of May, 1879. A small amount, on the same terms, was allowed to J. E. Lucy as balance due him for services in the same matter.

The amounts respectively paid to each appears in the annexed exhibit, marked "Exhibit A."

EXHIBIT A.

Statement of Amounts drawn against Appropriation for Payment of services of Detectives, Attorneys, Informers, etc., etc.

1879.	July 24—A. P. Foster.....	\$ 4,500 00
	Sheeks & Sneed.....	5,800 00
1880.	April 27—J. E. Lucy.....	16 80

Total.....	\$ 9,816 80
By appropriation.....	10,000 00
By balance.....	183 20

Correct.

STEPH. H. DARDEN,
Comptroller.

There was another claim presented for \$1000 by Mr. Hugh Chittick, for "services as a detective in the arrest of one John B. Strong, and seizing and taking from his possession and sending to George Clark, Attorney-General of the State of Texas, a large number of forged deeds and material for making forgeries, affecting titles to Texas lands, which furnished to the authorities of Texas the first clue to the combination of forgers of titles to Texas land, which has been brought to light since March, 1875." This claim, though some compensation might have been deserving as a bounty for gratuitous services, that were serviceable to the State, could not be allowed by me under the law, because said Chittick was not a detective employed by the authorities of Texas, and what he did was not under contract from the State.

There still, at the date of said settlement, being a large number of said indictments pending in court, and other indictments for similar offenses in contemplation to be filed, I employed Messrs. Sheeks & Sneed to continue the prosecution of them, and agreed to pay them an additional amount of \$100 for each person finally convicted, which contract was entered into on the twenty-second of May, 1879.

Under said contract, five other persons have been convicted, and the amounts paid therefor out of the regular annual appropriation for rewards and the employment of attorneys to prosecute and defend suits for the State, as shown in Exhibit B.

THE BELL PUNCH LAW.

Under the appropriation last referred to, I employed lawyers to aid in prosecutions, and in defence of suits to enforce the execution of the law of the Sixteenth Legislature, commonly known as the bell punch law, under advice of its necessity by the local attorneys representing the State, and with the approval of the Attorney General. In Galveston District Court a suit was brought to enjoin the tax collector from paying into the treasury, and for the recovery back of a large amount of money paid by various persons under said law, the object being to test the constitutionality of said law. In this suit I employed Messrs. Willie & Cleveland and Mr. Geo. P. Finlay. The law having been declared to be constitutional by the courts, an effort was made to have it enforced by criminal prosecutions, and for that purpose aid was given to the local officers representing the State, where it was shown to be necessary. For this purpose I employed Messrs. O. M. Watkins, at Galveston, and John W. Robertson, at Austin. I acted in this under the belief that it was my duty to see that the law was executed, if it could be done by the means placed at my command. In order to call attention to these violations of the law, the following proclamation was issued:

"PROCLAMATION.

"Whereas it having been made known to me that in many portions of the State, and especially in the larger cities thereof, powerful and influential combinations have been formed and entered into to prevent the execution of the revenue laws, the effect of which has been to defraud the State of her legitimate taxes and bring reproach upon those charged with execution of her penal laws;

"And it appearing that in several localities of the State these combinations have assumed to openly and notoriously violate the law, without the proper effort being made by the local officers to punish them and vindicate its majesty, thereby in effect educating the people to open resistance to the authority of the State, which, if not checked, may lead to more serious and dangerous consequences in the future;

"Therefore, I, O. M. Roberts, governor of the State of Texas, do, by virtue of the authority vested in me by the constitution and laws of this State, issue this my proclamation calling upon and requesting all the good people of this State to render such aid and assistance to the officers charged with the enforcement of the revenue and other laws of this State as may be necessary to the accomplishment of the same.

"And I hereby earnestly urge district attorneys, county attorneys, sheriffs and tax collectors to take immediate measures to prosecute and punish all persons engaged in violating the law, or report to me all cases where they are unable or unwilling to perform this duty.

"The faithful execution of the laws in a republican government must depend upon the moral support and physical aid of its good citizens, which they will seldom fail to give if the prosecuting officers will lead the way in an avowed and fearless effort to execute laws.

"In testimony whereof, I hereto sign my name and cause the seal of State to be affixed, at Austin, this fifteenth day of November, A. D. 1879.

"[L. S.]

O. M. ROBERTS,

Governor.

"By the Governor:

"T. H. BOWMAN, Acting Secretary of State."

It is notorious that the law was not generally executed. Its prospective importance is not such as renders it necessary for me to comment on the causes of its failure, or the mode of its amendment, further than to say that it was an experiment that made individuals tax themselves, and has excited so great a prejudice as to make an amendment not probably practical. The amounts paid to attorneys are shown in Exhibit B, hereto attached.

ALLEGED ILLEGAL SURVEYS IN THE CAPITOL RESERVATION.

It having been represented to me that illegal surveys had been made upon the most valuable lands in the territory known as the "Panhandle," which had been reserved for the building of the new capitol, and for the payment of the public debt, and that it was necessary in order to detect said frauds, if they existed, to send an able attorney to investigate the surveyor's books and records in the county of Jack, and to aid in any prosecution or suit that might be necessary to protect the rights of the State, I employed an attorney, Mr. Sam. A. Wilson, for those objects, who performed the services contracted for, and has been paid, as shown in Exhibit B.

THE MERCER COLONY CLAIM.

A suit was brought by George Hancock vs. J. J. Goos, Commissioner General Land Office, in the Federal Court at Austin, involving a claim to a large amount of land, and affecting the interests of a great many persons in the region of the State known as the Mercer's Colony. In said suit an injunction was issued restraining the Commissioner of the General Land Office from the exercise of important functions in his office, and also restraining the Governor from signing patents within said territory.

In view of this extraordinary proceeding, and the importance of the matters involved, I employed two firms, upon the advice of the Attorney General of the necessity of it, Messrs. Wilson & Gaines and Messrs. Peeler & Maxey, who have been, and are still, attending to the case on behalf of the State, and have been paid their fees, as shown in Exhibit B, under a contract stipulating those amounts for their services.

THE UNIVERSITY LANDS.

A suit was brought, under a Mexican title, for the recovery of a large tract of land, in which surveys had been made of university lands in the county of McClellan; and, from the result of that, it became necessary for the State to bring suit to protect the title to said lands, and for that purpose Messrs. Clark & Dwyer, of Waco, were employed under contract, stipulating the amount of their fee, with the understanding that it might be increased, if the amount of services rendered entitled them to such increase. They have been paid \$500, as shown in Exhibit B.

MURDER CASES.

In the Currie case, in Harrison county, and in the Crawford case, in Waller county, upon the urgent representation from the local attorneys for the State of its necessity, sanctioned by the Attorney General, I employed William Steadman, in the first, and H. H. Boone, in the other, and gave them the fees shown in Exhibit B.

THE PENITENTIARY SUIT.

A suit was instituted by Richard B. Hubbard, as Governor, for the use of the State, against Ward, Dewey & Co., former lessees, in Travis county, in which reconventions have been filed for claims of large amounts against the State, which renders it more important to defend the interests of the State than to secure a recovery. The case was brought under the employment by Governor Hubbard of Messrs. Peeler & Maxey. From the changed attitude of the case, arising out of the defense set up, and its consequent increased importance, it has become absolutely necessary for said counsel for the State to incur additional expense, and perform additional labor, in defending the case made, and in procuring evidence, which was not originally anticipated, I have agreed in consideration thereof, and under the opinion that the interest of the State would be greatly jeopardized without it, to pay them an additional fee of \$340.20, which, added to fee of \$300 due them upon trial of the case, makes \$640.20, which addition is only sufficient to cover the expense of procuring necessary evidence, that they could not otherwise procure, and which has been paid, as shown in "Exhibit B."

And at their urgent request, I have also employed an additional attorney, Mr. A. T. McKinney, of Huntsville, who, from his residence at that place, and from his knowledge of the transactions involved in the suit, could give most important aid in the case. He has been paid for said services, as shown in "Exhibit B," \$300.

In each and every one of these employments of counsel, I have first satisfied myself of the urgent necessity of making them for the benefit of the State, and the compensation given has invariably been lower than counsel are employed for by private individuals in suits of equal magnitude, and as low, in fact, as I could conscientiously ask the services to be rendered for.

The employments have been made only when the cases were such as the attorney-general or the local attorney for the State could not give them such attention as their importance demanded. Some of these cases are out of the range of ordinary practice, and local county and district attorneys have not time, in the press of business, to attend to them properly, and the attorney-general can not leave his office to do it.

I would most respectfully suggest to the Legislature, that there is one difficulty in representing the State in these important cases that it is greatly to the interest of the State to obviate in the future: that is, the difficulty of procuring the attendance of witnesses often from a distance at considerable expense, and therefore I would recommend that a contingent fund be provided for that purpose, and for taking depositions, and for the employment of persons to seek out testimony, when necessary to incur expense in doing so, as it often will be in suits for the State, as well as in suits for individuals.

The aggregate amount expended during the last two years for additional counsel for the State, as shown in "Exhibit B," is the sum of \$6326.70.

In addition to this, there have been fees given to the county attorney of Travis county, and attorneys of other counties, in suits brought for the State, amounting to about \$6000. These were suits brought against delinquent tax collectors by direction of the Attorney-General, turned over to him by the Comptroller.

In anticipation of such a State of things, I recommended to the last Legislature the appointment of another attorney for the State, who might attend to such suits, and to act also as a fiscal agent of the State, to be sent to any part of it for the enforcement of the revenue laws. Its propriety and utility is again submitted to the wisdom of the Legislature.

EXHIBIT B.

Amounts paid Attorneys for the Prosecution and Defense of Cases for the State.

1879.	
May 16—	Amount paid on requisition to Sam. A. Wilson for services as an attorney..... \$100 00
July 31—	Amount paid Messrs. Sheeks & Sneed for the prosecution of U. M. Peck..... 100 00
Aug. 19—	Amount paid Sam. A. Wilson for services as an attorney in the Mercer Colony case..... 250 00
Nov. 29—	Amount paid Messrs. Willie & Cleveland and Geo. P. Finlay for professional services in suit of several parties in Galveston vs. F. R. Dean, tax collector of Galveston county, in injunction suit to test constitutionality of "An act to provide for the levy and collection of occupation tax on the sale of spirituous, vinous and malt liquors, approved April 3, 1879..... 500 00
Dec. 2—	Amount paid Sam. A. Wilson for services as an attorney for the State in suit relating to illegal locations and patents on the reservations of capitol lands and lands for the payment of public debt as per contract of this date..... 800 00
Dec. 10—	Amount paid Oscar M. Watkins for services as an attorney-at law in cases arising under the Bell Punch law in Galveston county..... 250 00
Dec. 26—	Amount paid Sam. A. Wilson, balance due for services as an attorney..... 200 00
1880.	
Jan. 17—	Amount paid Peeler & Maxey, for services as attorneys in suit in United States Court, wherein Geo. Hancock was original plaintiff and J. J. Goos, Commissioner General Land Office, was defendant..... 1,000 00
Jan. 17—	Amount paid Messrs. Wilson & Gaines for services as attorneys in a suit in United States Court, wherein Geo. Hancock was original plaintiff and J. J. Goos, Commissioner General Land Office, was defendant..... 750 00

Jan. 30—Amount paid Messrs. Willie & Cleveland for services as attorneys in bell punch cases.....	17 50
March 24—Amount paid O. M. Watkins for prosecuting bell punch offenders at Galveston.....	100 00
March 27—Amount paid Willie & Cleveland and Geo. P. Finlay for services in the bell punch cases...	200 00
March 30—Amount paid Sheeks & Sneed for services rendered as attorneys in State vs. Francis, and State vs. Stancel.....	200 00
April 1—Amount paid Sheeks & Sneed for services rendered the State in the prosecution of the suit of the State of Texas vs. George W. Miller, in the District Court of Travis county.....	100 00
Sept. 26—Amount paid Messrs. Sheeks & Sneed for services as attorneys in the prosecution of the case of D. W. Heard in the District Court of Travis county.....	100 00
June 10—Amount paid John W. Robertson for prosecuting violators of bell punch act.....	125 00
June 2—Amount paid Sam. A. Wilson for services as an attorney in the case of Geo. Hancock vs. Wm. C. Walsh, Commissioner General Land Office.....	100 00
Oct. 1—Amount paid John W. Robertson to balance on contract for the prosecution of the bell punch cases.....	125 00
Oct. 20—Amount paid H. H. Boone for services as an attorney rendered and to be rendered in the district court in the prosecution of R. W. Crawford.....	200 00
Oct. 11—Amount paid Messrs. Clark & Dwyer for services as attorneys in the case of—in the district court of McLennan county in reference to university lands.....	500 00
July 14—Wm. Steadman, paid services as an attorney in the prosecution of Jas. Curry.....	250 00
1881.	
Jan. 1—A. T. McKinney in the suit of R. B. Hubbard, use of State vs. Ward, Dewey & Co.....	200 00
Jan. 3—Peeler & Maxey for additional fee as originally agreed on and for necessary expenses.....	649 20
Total.....	\$6,326 70

REWARDS FOR THE ARREST OF CRIMINALS.

Upon entering upon the duties of my office it was ascertained that a great number of large rewards for the arrest of criminals had been offered in order to suppress crime. Though offered under the urgent necessity at the time, and for a most laudable object, they had produced a result doubtless not anticipated, which was to make the obtaining of rewards a profitable occupation, and in many cases any efforts to make arrests were delayed until a reward was procured to be offered. Some of them were offered upon the condition of arrest and conviction, even when it was known who had committed the offense. Some of them had been standing so long that there was no certainty of getting the witnesses to render a conviction probable. In view of these facts the following proclamation was issued:

"PROCLAMATION BY THE GOVERNOR OF THE STATE OF TEXAS.

"To all whom it may concern:

"WHEREAS, Proclamations have been from time to time issued, offering rewards for the arrest, or arrest and conviction, of persons charged with the commission of crime, and believing that on account of the impossibility of obtaining the evidence in many cases convictions cannot be effected, and because, also, the State cannot afford to adopt this as the ordinary mode of executing the criminal laws:

"I, O. M. Roberts, Governor of Texas, make this proclamation, revoking all offers of rewards made at any time before the twenty-first day of January, A. D. 1879.

"In order that they may not be unadvisedly offered, applications to procure the offer of rewards must generally be made by the district or county attorney. Accompanying the applications must be a certified copy of the indictment or affidavit charging the commission of the crime, and an affidavit made by the sheriff of the county where the crime was committed, that he has used every effort to effect the arrest of the defendant, and that he does not know his whereabouts, or, if he does know, he is beyond the limits of the State, stating where. There must also be a statement by the district or county attorney that he is familiar with the facts in relation to the commission of the crime, and knows the names and residences of witnesses, that their testimony can be procured on the final trial of the case, and he believes the defendant can be convicted. On compliance with these requirements, in any case where a reward has already been offered, a renewal of the offer will be considered.

"Rewards will be offered only in extraordinary cases, where it is

absolutely necessary for a proper execution and administration of the criminals laws.

"In testimony whereof I hereunto sign my name and cause the seal of State to be affixed, at the city of Austin, this first day of February, A. D. 1879.

[Signed.]

O. M. ROBERTS, Governor.

"By the Governor:

"[Signed.] JOHN D. TEMPLETON, Secretary of State."

Very few applications were afterwards made to renew the rewards upon the terms proposed.

In order to inaugurate a policy, in which the proper officers, to-wit: the district and county attorneys, should take the lead in, and give direction to the arrest of criminals through the means of requisitions and rewards, I issued the following circular to district and county attorneys, who, having acted in accordance with it, have rendered effective aid in reducing it to a system of action, promotive of both practical efficiency and economy:

"CIRCULAR.

"EXECUTIVE OFFICE,

"AUSTIN, TEXAS, Nov. 15, 1881.

"To the District and County Attorneys of the State of Texas:

"The Constitution, in requiring the chief executive to see that the laws shall be executed, contemplates that it should be done through the instrumentality and aid of the officers of the State in the discharge of their respective duties.

"I respectfully ask your aid and co-operation in bringing criminals to justice, in the manner hereinafter pointed out, in relation to requisitions, rewards and arrests.

"REQUISITIONS.

"The Code of Criminal Procedure provides that whenever the Governor may think proper to demand a person who has committed an offense in this State, and has fled to another State or Territory, he may commission any suitable person to take such requisition, etc. (Art. 1035.)

"Under this authority the Executive, before issuing requisitions, will require the application therefor to be made by the officer whose duty it is to prosecute offenders. It must show that there are reasonable grounds to believe that the evidence necessary to secure a conviction can be had at the trial; give the name of some suitable person who will act as agent in conveying the requisition; state the place where the refugee is supposed to be, and be accompanied with a certified copy of the indictment or charge, under oath, of the offense against him. It must affirmatively appear from the application or the papers accompanying it that the prosecution is bona fide and not for the purpose of collecting a pecuniary obligation.

"REWARDS.

"It is provided by the laws of this State that the Governor may, whenever he deems it proper, offer a reward for the apprehension of any person accused of felony in this State, and who is evading arrest. (C. P., art. 1037.)

"Under this authority suitable rewards will be offered, in the discretion of the Executive, whenever, from the facts of the case, he deems it advisable.

"Applications, when made, must be accompanied with a certified copy of the indictment or affidavit charging the party with a felony. They must show that the officer, whose duty it is to prosecute offenses, has a reasonable expectation of convicting the party; that the evidence can be had, and such other facts as will inform the Governor of the necessity of offering a reward. The application should also be accompanied by the affidavit of the sheriff of the county where the offense was committed, that he has used all the diligence in his power to arrest the offender; and that either the party is out of the State, his whereabouts unknown, or he defies or evades the officers of the law.

"Rewards may also be offered, upon proper representations of the prosecuting officers, that offenses of magnitude have been committed under the circumstances of secrecy so that the perpetrators are unknown.

"When parties have been indicted or charged on oath, and have been bound over or recognized for their appearance in felony cases, and they escape beyond the limits of the State, aid will be promptly given to their sureties by issuing requisitions, upon the proper papers being furnished for that purpose, as in other cases, so as to enable said sureties to go or send after said escaped criminals, and, if necessary, I will further aid them by offering a reasonable reward.

"In all applications for requisitions or rewards, district and county attorneys are requested to state whether or not the defendants have given bail bonds or recognizances, and whether or not the sureties are solvent, and whether or not the bonds or recognizances have been forfeited.

"If bail has been given, it is the duty of the sureties to have the defendant forthcoming. If he is in the State, they have the power

to secure his appearance or to arrest him and turn him over to the sheriff of the proper county; and, if he has escaped beyond the limits of the State, beyond their power of arrest, I will aid them, as before stated. In issuing requisitions and offering rewards, I rely mainly upon prosecuting officers for proper information; and I have promptly acted upon every case where the requisite information and papers have been furnished to me, and I have repeatedly assisted sureties in reclaiming those for whose appearance they are bound by bail bonds or recognizances.

"I do not favor the policy of published rewards for criminals, because it serves to put them on notice that they are sought for. It is found usually much better to first find out where the criminals are, and then send some one after him, in cases where the criminal is known. In secret offenses published rewards, promptly offered, might often serve a good purpose where the criminal is not suspected or known. Where criminals are within the limits of the State, it is not contemplated that rewards should ordinarily be offered for their arrest, provisions having been made by law for their arrest and conveyance by the officers of the State.

"It is of the greatest importance, in the execution of the criminal laws, that escaped criminals should be reclaimed, and be subjected to trial and punishment when found guilty. Whenever it shall have been done efficiently, so that the penal laws are vigorously and diligently enforced, the chief merit of so great and so necessary a consummation will be mainly due to the prosecuting officers of this State, upon whom is placed the burden and to whom is given the power, by the aid of other offenses, and of the good citizens of the country, to accomplish that object.

"O. M. ROBERTS, Governor."

The Sixteenth Legislature appropriated in the deficiency bill \$10,000 to provide for rewards that had been previously offered, and had not been paid. After that amount had been exhausted in their payment, claims for rewards were still presented and approved in cases where the reward, or a part of it, was conditioned upon a conviction, which occurred after the date of my proclamation, and which were paid out of the regular annual appropriation. The cases and amounts are shown in "Exhibit C" (\$4,455.75), hereto annexed.

In "Exhibit D" will be found the cases and amounts of rewards offered by me and paid upon my order, the annual appropriations being sufficient to pay all claims that have been properly presented.

They are fifty-four in number, aggregating the amount of \$12,000.32, being an average of \$223.48 for each one.

EXHIBIT C.

Amounts of Rewards offered by Governor Hubbard, and paid by Governor Roberts.

1879.			
Jan.	24—	Amount paid to J. Cal. Turnam for arresting Zeke Bradley; offense, murder.....	\$200 00
Jan.	25—	Amount paid N. N. Smith for the arrest of James Moore; offense, murder.....	150 00
Aug.	8—	Amount paid G. W. Michael for the arrest of Warren Sheppard; offense, murder.....	155 75
Sept.	3—	Amount paid J. M. Parish for the arrest of A. E. Carter (murder).....	250 00
Oct.	1—	Amount paid R. H. Boyd for arresting Joe King, alias Williams; offense, rape.....	150 00
Nov.	4—	Amount paid N. R. Stegall for the arrest of H. Malone and J. Green.....	500 00
Nov.	15—	Amount paid A. W. Brown for the arrest and conviction of Lafayette Richards; offense, murder.....	500 00
Jan.	14—	Amount paid John S. Moore for the arrest of J. W. Meadows and Wash. Amos; offense, murder.....	600 00
1880.			
March	8—	Amount paid Horace Wood for the conviction of M. Quisenburg and R. Rucker; offense, murder.....	1,000 00
March	31—	Amount paid C. Chaney for conviction of Warren Sheppard; offense, murder.....	150 00
June	26—	Amount paid B. A. Durham for the arrest of R. Rucker; offense, murder.....	500 00
Oct.	6—	Amount paid J. P. Cox for conviction of Geo. Harris.....	300 00
Total.....			\$4,455 75

EXHIBIT D.

Amounts of Rewards Offered and Paid by Governor Roberts.

1879.	May 9—Amount paid to T. P. McCall, arrest and delivery of John Lanham; offense, murder.....	\$280 6
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June	12—Amount paid Dan. A. Wood for the arrest and delivery of Tom Wyatt; offense, theft.....	91 50
July	4—Amount paid W. E. Hall for the arrest and delivery of Thomas and Archie Watson; offense, theft.....	123 20
Aug.	11—Amount paid J. E. Lucy for the arrest and delivery of Emile and G. H. Assig; offense, theft.....	400 00
Sept.	19—Amount paid Wiley Williams for the arrest and delivery of Riley Tucker; offense, theft..	183 95
Sept.	29—Amount paid A. Childs for arrest and delivery of J. A. Clark; offense, assault with intent to murder	75 00
Sept.	30—Amount paid John Percell for the arrest and delivery of W. M. Caruthers; offense, murder	158 70
Oct.	21—Amount paid W. E. Hall for the arrest and delivery of Thomas and Archie Watson; offense, theft.....	78 25
Nov.	11—Amount paid J. E. Lucy for the arrest of G. W. Miller; offense, uttering forged instruments in writing	200 00
Dec.	15—Amount paid B. R. Wallace for the arrest and livery of Melford Willis; offense, murder....	150 00
1880.		
Jan.	3—Amount paid A. W. Brown for the arrest and delivery of D. Tidwell; offense, murder.....	200 00
Jan.	7—Amount paid J. M. Henderson for the arrest and delivery of J. W. Smith; offense, forgery.....	150 00
Jan.	14—Amount paid W. A. Whately for the arrest and delivery of A. J. Leath; offense, assault with intent to murder.....	143 15
Jan.	20—Amount paid W. D. Ryburn for the arrest and delivery of E. H. Ayres; offense, forgery.....	200 00
Jan.	23—Amount paid P. W. Hurlbert for the arrest and delivery of W. H. Hoagen; offense, murder..	285 40
Jan.	29—Amount paid S. Lipscomb for arrest and delivery of Pete Matherson; offense, theft....	150 00
March	4—Amount paid to H. M. Ward for the arrest and delivery of W. D. Stagner; offense, murder..	250 00
March	8—Amount paid J. S. Haines for arrest and delivery of Mike Vickers; offense, burglary...	200 00
March	20—Amount paid James Melton for the arrest and delivery of Robt. Vandever; offense, assault with intent to kill.....	200 00
July	28—Amount paid B. R. Wallace for the arrest and delivery of Jordan Wislow and W. W. Netherly; offense, murder.....	300 00
July	31—Amount paid Wm. Scanlan for the arrest and delivery of Jesus Flores.....	35 12
April	22—Amount paid Wm. M. Moon for the arrest and delivery of R. P. Riley; offense, bigamy.....	150 00
April	27—Amount paid H. G. Smith for the arrest and delivery of John Graham; offense, murder.....	250 00
May	12—Amount paid B. F. Friend for the arrest and conviction of Wm. Lusk; offense, murder.....	172 40
May	12—Amount paid H. Fleming for the arrest and delivery of P. Kennigan and T. Lowe and F. Gibson; offense, murder.....	750 00
May	19—Amount paid W. H. Owens for the arrest of C. M. Jackson; offense, swindling.....	100 00
May	24—Amount paid John Braly for the arrest and delivery of H. L. Altum; offense, murder.....	100 00
June	9—Amount paid S. M. Farmer for the arrest and delivery of J. C. Ellis; offense, theft.....	250 00
June	14—Amount paid W. A. Whately for the arrest and delivery of James Robinson; offense, murder....	100 00
June	21—Amount paid A. D. Fanner for the arrest and delivery of D. O. White; offense, murder.....	200 00
June	25—Amount paid J. B. Lewis for the arrest and delivery of John Warronger; offense, rape.....	100 00
July	1—Amount paid J. E. Lucy for the arrest of M. A. Ware.....	200 00
July	2—Amount paid J. T. Craig for the arrest and delivery of Brown, Stowe and Taylor; offense of two former, theft; the other, murder.....	600 00
July	14—Amount paid John P. Williams for the arrest of Levi A. King; offense, murder.....	300 00
July	15—Amount paid Wyatt Lipscomb for the arrest of A. D. Fabian; offense, assault with intent to murder	200 00
July	16—Amount paid J. R. Stovall for the arrest and delivery of Q. G. Manus; offense, theft.....	250 00
July	19—Amount paid B. M. Smith and C. Denning for the arrest of Phil. A. Thomas; offense, murder.....	200 00

July	28—Amount paid B. R. Wallace for the arrest of Squire Alexander and Brooks; offense, murder.	200 00
July	29—Amount paid J. E. Lucy for the arrest and delivery of E. W. Fay; offense, forgery.	450 00
Aug.	17—Amount paid A. A. Carter for the arrest of J. Haynes; offense, murder.	150 00
Aug.	19—Amount paid G. W. Duck for the arrest of one Geuano; offense, murder.	166 00
Aug.	26—Amount paid B. S. Logan for the arrest and delivery of Wood Trammel; offense, murder.	250 00
Sept.	10—Amount paid George Wolf for the arrest of Martin Springer; offense, theft.	200 00
Sept.	30—Amount paid T. B. Jackson for the arrest of Scott and Bud Lander milk; offense, assault with intent to murder.	400 00
Oct.	0—Amount paid W. B. Hall for the arrest of Enos Mills; offense, theft.	150 00
Oct.	20—Amount paid W. D. Ryburn for the arrest of David Carter; offense, forgery.	250 00
Oct.	20—Amount paid John W. Poe for the arrest of John McCave and Henry Munson; offense, murder.	600 00
Oct.	28—Amount paid G. W. Hodges for the arrest of Wm. Huling and Rushing; offense, murder.	400 00
Nov.	1—Amount paid Wm. Scanlan for the arrest and delivery of R. A. Blandford; offense, embezzling. .	100 00
Nov.	3—Amount paid Ben Anderson for the arrest of Joe Melden; offense, murder.	350 00
Nov.	10—Amount paid S. M. Farmer for the arrest of Jack Farrar.	200 00
Nov.	12—Amount paid W. B. Morgan for the arrest of Jack Boren; offense, theft.	75 00
Nov.	23—Amount paid B. F. Chandler for the arrest of John Henry; offense, theft.	200 00
Nov.	25—Amount paid A. A. Killingsworth for the arrest of T. F. Bynum.	150 00
Total.		\$12,068 32

DRUMMER TAX AND OTHER OCCUPATION TAXES REQUIRED TO BE PAID AT THE STATE TREASURY.

Finding that the payment of these taxes had been extensively evaded, I issued the following proclamation, offering a reward of fifty dollars to procure the arrest of the offenders, and to compel them to pay the drummer tax, and ten dollars in the other cases. It had the desired effect to cause thousands of dollars to flow into the treasury immediately, which would otherwise never have been received.

I would respectfully recommend the amendment of the law so as to require some sort of public record of the license to be made in every county, wherein the party holding it offers to do business, so that his authority may be known, and also to increase the penalty of violating the law to a fine of at least twenty-five dollars, to be paid to the informer, over and above the tax to be paid into the State Treasury, before the guilty party is released.

This law, most just in itself, as an approximate taxation upon transient property protected by the State, prevents, to that extent, a discrimination against our own merchants, who pay the required occupation tax, and in favor of merchants residing out of the State, who do business within it, and therefore should be strictly enforced. The rewards paid are shown in Exhibit E, amounting to \$480.

"PROCLAMATION BY THE GOVERNOR OF TEXAS, OFFERING REWARDS FOR VIOLATORS OF THE OCCUPATION TAX LAWS.

"Whereas, it has been made known to me that many persons are pursuing occupations taxed by law, in this State, without having paid the tax imposed on such occupations, whereby the State is being defrauded of her revenue, and her criminal laws violated;

"Therefore, I, O. M. Roberts, Governor of Texas, by virtue of the power vested in me, do hereby issue this my proclamation, and offer a reward of fifty dollars for the arrest and conviction of each and every person so found in this State pursuing the occupations of commercial traveler, drummer, salesman, or solicitor of trade, by samples or otherwise; and a reward of ten dollars for the arrest and conviction of persons found in this State pursuing any other occupation taxed by law, who are required to pay such tax at the office of the Comptroller, in Austin, and who have failed to pay the same.

"These rewards to be paid upon proper proof to me that such violators of the law have been arrested and forced to pay the tax.

"Lists of those who have paid such tax can be obtained from the officers of the county, or the Comptroller at Austin.

"In testimony whereof, I hereunto sign my name, and cause [L. s.] the seal of State to be affixed, at the city of Austin, this twenty-second day of September, A. D. 1880.

"O. M. ROBERTS, Governor.

"By the Governor:

"JOHN D. TEMPLETON,

"Secretary of State."

EXHIBIT E.

Amounts paid for Rewards for the Apprehension and Conviction of Drummers and Others failing to pay Occupation Taxes into the State Treasury.

1880.	Oct.	8—Amount paid J. M. Waller for arresting and convicting three drummers.	\$150 00
	Oct.	9—Amount paid Horace Welsh for the arrest of C. S. Fishor, a drummer.	50 00
	Oct.	19—Amount paid for the arrest and conviction of Philipson and Goldstein.	50 00
	Oct.	28—Amount paid John F. Darrirot for arrest of Mr. Melvel.	10 00
	Oct.	28—Amount paid J. M. Waller for the arrest of J. F. Moore, a drummer.	50 00
	Oct.	28—Amount paid T. E. Jackson for the arrest of W. H. Leaman.	50 00
	Oct.	28—Amount paid R. S. Lee, arresting sewing machine agents.	20 00
	Nov.	12—Amount paid Horace Welsh for the arrest of a drummer.	50 00
	Nov.	16—Amount paid J. M. Waller for the arrest of a drummer.	50 00
Total.			\$480 00

REWARDS TO PRIVATE CITIZENS WHO AID IN ENFORCING THE LAWS FOR THE PROMPT ARREST OF MURDERERS AND ROBBERS.

The facility of escapes in this State is an encouragement to commit crime, when persons are so predisposed. When serious offenses are committed, a prompt effort to arrest the offenders often saves much delay and expense in their prosecution, and, if generally adopted, would act as a prevention of crime as well. It would more certainly procure the punishment of criminals. The frequency of robberies of late, an offense in former times almost unknown in this country, and the number of deaths by violence, and the comparatively few arrests promptly made, have induced me to call upon the Attorney-General for a condensed statement of the laws of arrest, and to publish that and circulate it with the following proclamation, offering a reward, which has been done to give information to officers and private citizens of the power vested in them to make arrests promptly, and to encourage them in doing it.

They have not been issued long enough to have produced much ostensible result. Only two rewards of fifty dollars each have been paid, for the arrest lately made of two robbers near Dallas.

"PROCLAMATION BY THE GOVERNOR OF THE STATE OF TEXAS, OFFERING REWARDS FOR THE PROMPT ARREST OF MURDERERS AND ROBBERS.

"To All to Whom these Presents shall Come :

"Whereas, felonious homicides and robberies are sometimes committed, and no proper steps are promptly taken to arrest the offenders, by which they escape beyond the limits of the State, and have to be brought back upon requisition, at great expense and after long delay; and whereas, this often happens from a want of a proper appreciation of their duties imposed by law upon peace officers and magistrates, who are required to be active, and not merely passive, in taking the necessary steps to arrest such offenders promptly when they have good reason to believe that an offense has been committed; and whereas, all private citizens are permitted to make arrests when felonies are committed in their presence, and to make it the duty of officers to act promptly by giving information to them which will be sufficient to induce the belief that an offense has been committed, thereby putting it in the power of every good citizen to aid in the execution of the laws for the prosecution of offenses; and whereas, the district and county attorneys are required by law to prosecute officers for the neglect of such duties when they are properly informed of such neglect;

"Therefore, to encourage good citizens to aid in the execution of the laws, and to compensate them in part for their trouble in doing so, a reward of fifty dollars will be given to a private citizen under the following circumstances, to-wit :

"1. When a homicide or robbery is committed in his presence, and he arrests the offender at the scene of action, or pursues him and makes the arrest, and delivers him to an officer, with such information as will be necessary to commit the party or bind him over to answer for the offense.

"2. When a homicide or robbery has been committed, and the officers do not take immediate steps to make the arrest, and a citizen gives the necessary information to an officer, that causes him to take such action as results in a prompt arrest of the offender and his being committed to jail or bound over.

"3. When a robbery or homicide is committed, and the officers whose duty it is to take proper steps to make the arrest of the offender fails to do it, and a citizen gives to the district or county attorney such information thereof as secures a prosecution or conviction for neglect of duty in not taking such steps promptly.

"This offer of reward is not intended to apply to cases where the of-

fender voluntarily surrenders himself to be subject to the law—its leading object being to prevent escape by an immediate arrest of the offender.

"The reward will be paid upon satisfactory proof of the facts entitling the party to it, approved by the county attorney and county judge of the county where the offense is committed.

"In testimony whereof, I herunto sign my name and cause the seal of State to be affixed, at the city of Austin, this the ninth day of October, A. D. 1880.

"(Signed)

O. M. ROBERTS, Governor.

"By the Governor:

"(Signed) T. H. BOWMAN,

"Acting Secretary of State."

"ATTORNEY-GENERAL'S OFFICE,

"AUSTIN, TEXAS, October 3, 1880.

"His Excellency O. M. Roberts, Governor of Texas:

"Sir—Your communication of recent date, in which you request the opinion of this office upon certain questions therein propounded relative to the duties of magistrates, peace officers, and citizens, in arresting offenders against the penal laws of the State, has had my attention, and in reply thereto I beg to leave to submit the following:

"The Code of Criminal Procedure makes the justices of the Supreme Court, judges of the Court of Appeals, district and county judges, county commissioners, justices of the peace, mayors or recorders of incorporated towns and cities, magistrates within the meaning of the laws of this State. (Art. 42.)

"It makes it the duty of every magistrate to preserve the peace within his jurisdiction by the use of all lawful means, and to issue process and cause the arrest of all offenders. (Art. 43.)

"It is the duty of these magistrates to interfere to prevent the commission of offenses, to suppress riots and unlawful assemblies, and to arrest parties, with or without warrant. (Art. 112.)

"And when a felony or breach of the peace is committed in the presence or within the view of a magistrate, he may verbally order a peace officer to arrest the offender. In such case no warrant of course is necessary. (Art. 227.)

"Warrants issued by all magistrates, except justices of the peace, county commissioners, and mayors and recorders, can be executed anywhere within this State. If issued by the above mentioned officers, they must be indorsed before executed out of the county in which they were issued. (Art. 238.)

"PEACE OFFICERS.

"Our statutes make all sheriffs, deputy sheriffs, constables, and marshals and police officers of incorporated cities and towns, peace officers. (Art. 44.)

"The act of March 10, 1874 (General Laws, p. 89), confers on the officers of the Frontier Battalion the powers of peace officers, and requires them to execute criminal process. The act of April 22, 1879, also confers on certain military officers and privates the same powers. These acts were not affected by the adoption of the code, it being expressly provided therein that all laws providing for the defense of the inhabitants of the State on its Indian or Mexican border, and all acts giving the exclusive authority to suppress lawlessness and crime in certain localities, should be excepted from the operation of the Revised Statutes. And the Court of Appeals has held that the provisions of the Final Title of the Revised Statutes apply as well to the Penal Code and Code of Criminal Procedure as to the body of the Civil Statutes. (R. S., Final Title, section 18.)

"It is the duty of all peace officers to preserve the peace within their jurisdiction, and to effect this they may use all lawful means. They are required to give notice to some magistrate of all offenses committed within their jurisdiction, where they have good reason to believe there has been a violation of the penal law; and to arrest offenders without warrant in every case where authorized by law, and to take them before the proper magistrate or court. (C. C. P., Art. 45.)

"When a peace officer is resisted, he is authorized to summon a sufficient number of citizens of his county to assist him; and if a citizen so summoned shall refuse, he is liable to a fine not exceeding one hundred dollars. (C. C. P., Art. 46; P. C., Art. 229.)

"In addition to this, the sheriff, when it is necessary to aid him in overcoming resistance, has the authority to call out any military company within his county, etc. (C. C. P., Art. 109.)

"Magistrates and peace officers are required to suppress riots, etc., and if necessary to do so, they are authorized to arrest offenders without warrant. (C. C. P., Art. 112.)

"A peace officer or any other person may arrest an offender without a warrant when the offense is committed in his presence or within his view, if the offense thus committed is classed as a felony or an offense against the public peace. (C. C. P. Art. 226.)

"Now, a felony in this State is any offense which under the law is punishable with death or by imprisonment in the penitentiary, or either; and offenses against the public peace are classed as unlawful assemblies, riots, affrays, unlawfully carrying arms, etc. Therefore in this class of cases, peace officer or any citizen may arrest offenders without warrant when such offense is committed in their presence or within their view.

"When a credible person informs a peace officer that a felony has been

committed, and that the offender is about to escape, so that there is no time to procure a warrant, such peace officer may pursue and arrest such offender without warrant. (C. C. P., Art. 229.)

"And, as seen before, when a magistrate sees an offense committed, he may verbally order a peace officer to pursue and arrest the offender. (Art. 227.)

"From the foregoing it appears that the code explicitly states who are peace officers and who are magistrates, and defines the powers and duties of each in arresting with or without warrant. If the peace officer has reason to believe that an offense has been committed within his jurisdiction, it is his duty to go and inform a magistrate, who can subpoena witnesses or issue a warrant, as the nature of the case may require. If the peace officer or any citizen sees an offense committed, they should arrest the offender without waiting for a warrant; or if a credible person informs the peace officer that an offense has been committed, and he has not time to procure a warrant, he should pursue the offender and arrest him; or if a magistrate sees an offense committed, and has not time to issue a warrant, he can verbally direct a peace officer to go and make the arrest.

"Private citizens are not authorized to make arrests unless specially deputized to do so by a magistrate, or unless summoned by a peace officer or magistrate to aid them, or unless a felony or breach of the peace is committed in their presence or within their view.

"The provision of the law which requires all magistrates to preserve the peace by the use of all lawful means, makes it obligatory on that class of officers to be vigilant and active and watchful in the discharge of that duty, and they should not wait for complaints to be made to them of violations of the law, but should, when they learn that offenses have been committed, or are about to be committed, issue subpoenas or other writs, or give verbal directions to peace officers to arrest the offenders, or bring parties before them whom they may believe know the facts of such crime, and require them to testify.

"Neither does the law contemplate that a peace officer who does not happen to see an offense committed shall wait for some person to notify him of the fact before taking any action in the matter. When he hears of such offense, if it occurs within his jurisdiction, he should go at once and make inquiry into the facts. If he has time to do so without risking the escape of the offender, he should inform a magistrate of the facts, and procure a warrant; but if the party may escape by reason of such delay, and he is informed by a credible citizen, whom he believes to be telling the truth, he should pursue the offender without delay, arrest him, and carry him at once before a magistrate.

"The failure of magistrates and peace officers to do their duty in bringing offenders against the penal laws to trial, is punishable in the courts by fine, etc.

"The code makes it the duty of district and county attorneys to present to the court having jurisdiction of such offenses, by information, any officer for the failure or neglect of any duty enjoined on such officer, when such neglect or failure can be presented on information; and it is the duty of these attorneys to bring to the notice of the grand jury all acts of violation of law, or neglect or failure of duty on the part of any officer, when such violation, neglect, or failure are not presented by information. (C. C. P., Art. 34.)

"I have the honor to be very respectfully,

"Your obedient servant,

GEO. MCCORMICK,

"Attorney-General.

It was deemed proper to present to the Legislature the means which I have used to aid in the execution of the criminal and revenue laws of the State. Although the constitution requires that the governor shall see that the laws are executed, it remains for the Legislature to invest him with the power and means to accomplish that most desirable object. I cannot in duty forbear the remark that had there been district attorneys provided for each district, it would have been greatly aided in the execution of the laws, as was exhibited in districts where they were appointed during the last two years. They, with the county attorneys, are peculiarly the executive officers of the government in regard to the execution of the criminal laws; and, as the government is now organized, are each and every one of them beyond the control or direction of the chief executive, and therefore he, within the broad scope of their powers and duties, can not, as the constitution requires, "see that the laws are executed." And the same thing is applicable to all of the elective and independent departments of the government. The governor can perform the duties required of him as any other department, and exercise a few discretionary powers, and above that what he does must be only in the way of conciliatory advice and personal influence.

IMPROVEMENTS ON AND THE FURNISHING OF THE GOVERNOR'S MANSION.

There was an appropriation of \$2000 made by the Sixteenth Legislature for the purpose above indicated. It was much needed. An architect was employed to let out the various parts of the work to the lowest bidder, which was done, and the work was received and paid for, and the required articles furnished at the lowest prices attainable in this city, all of which is shown in "Exhibit F," herunto annexed; and the corresponding

vouchers for each item was filed, and is to be found, approved by me, in the Comptroller's office.

For the preservation and ornamentation of the building, there should be two things done. First—There should be a roof put on the house that would turn water on the outside of the walls, instead of the inside, as it does now; and, second, the walls of the house, especially on the north side, should have a heavy coat of cement or paint, so as to keep the water from penetrating them. A few other smaller matters might be beneficial. They would cost from \$1000 to \$1500, and can be dispensed with for the next two years without complaint or great danger of damage. See "Exhibit F."

EXHIBIT F.

Statement of Amounts drawn against Appropriation for Repairing the Executive Mansion, etc., etc., year ending February, 1880.

1879.

April	29—C. W. White.....	\$69 75
May	2—Wm. Smith.....	11 00
	5—I. Stein.....	27 35
	5—R. M. Castleman.....	28 25
	9—B. Radkey.....	16 55
	19—C. W. White.....	10 15
	23—D. W. Jones.....	94 32
	27—W. A. Rucker.....	20 00
	30—C. A. Delach.....	4 50
	31—Texas Building Association.....	345 00
	31—C. H. Bley.....	45 35
June	2—A. J. McCree & Co.....	250 78
	3—B. Radkey.....	23 00
	6—Sam. Norwood.....	24 00
	7—J. Rainey.....	4 00
	7—G. Miller.....	2 50
	7—R. M. Castleman.....	54 70
	13—Jack Rainey.....	4 00
	13—Texas Building Association.....	42 00
	14—Moffitt & Cornwall.....	200 00
	24—John A. Webb & Bro.....	1 25
	28—Moffitt & Cornwall.....	200 00
	30—C. H. Bley.....	118 85
July	1—C. W. White.....	36 74
	3—J. W. Hannig.....	371 45

Total.....\$2000 00

By amount appropriated.....\$2,000 00

Correct: STEPHEN H. DARDEN, *Comptroller*.

GARDENER AND CONTINGENT FOR THE MANSION AND GROUNDS.

There was an appropriation of \$500 annually made by the Sixteenth Legislature "for labor to keep the mansion grounds in order, and other contingent expenses."

Besides \$30 per month paid to the gardener, the balance was made to supplement the deficiency in furnishing the mansion.

The grounds have been kept in order by the gardener, and the appropriation will be sufficient until the first of January, 1881, and it will not matter materially if there should be no more provided until the first of March next. (See "Exhibit G," annexed.)

EXHIBIT G.

Statement of Amounts drawn against Appropriations for Gardener and Labor, etc., to keep Mansion Grounds in order, etc., year ending February, 1881:

1880.

March	10—I. Stein.....	\$27 00
	16—J. W. Hannig.....	77 00
	31—A. A. Sanders.....	30 00
April	2—A. Pompee.....	4 00
	3—C. W. White.....	10 00
	12—Texas Building Association.....	11 00
	30—A. A. Sanders.....	30 00
May	19—James Alexander.....	10 00
	31—A. A. Sanders.....	20 00
June	12—George A. Brush.....	5 50
	17—I. Stein and D. W. Jones & Co.....	26 90
	22—Young & Co.....	3 00
	30—A. A. Sanders.....	30 00
July	1—G. P. Assman.....	4 00
	31—A. A. Sanders.....	30 00
Aug.	31—A. A. Sanders.....	30 00
Sept.	30—A. A. Sanders.....	30 00
Nov.	30—C. Lundell.....	30 00

Dec.	2—George A. Brush.....	4 70
	9—C. W. White.....	9 05
Nov.	1—A. A. Sanders.....	30 00

Total.....\$408 85
By appropriation.....500 00

Balance.....\$31 15

Correct: STEPHEN H. DARDEN, *Comptroller*.

Statement of Amounts Drawn against Appropriation for Labor to keep Executive Mansion Grounds in order, etc., etc., year ending February, 1880.

1879.

April	23—A. A. Sanders.....	\$50 00
	30—A. A. Sanders.....	10 00
May	10—Wm. Brueggerhoff.....	3 50
	14—George Roach.....	8 96
	16—James Alexander.....	12 00
	31—S. Vinton.....	5 50
	31—A. A. Sanders.....	30 00
June	30—A. A. Sanders.....	30 00
July	3—J. W. Hannig and J. Larmour.....	110 83
	31—A. A. Sanders.....	30 00
Sept.	1— " ".....	30 00
	30— " ".....	30 00
Oct.	31— " ".....	30 00
Dec.	1— " ".....	30 00
	31— " ".....	30 00

1880.

Jan.	31—A. A. Sanders.....	30 00
Feb.	28—A. A. Sanders.....	20 21

Total.....\$500 00

By appropriation.....\$500 00

Correct: STEPHEN H. DARDEN, *Comptroller*.

OTHER APPROPRIATIONS FOR THE EXECUTIVE OFFICE.

The appropriations for telegraphing, books and stationery, wood, lights, etc., for the executive office, and gas for the mansion, have been amply sufficient, and the expenditures under them have been kept strictly within or under the amounts appropriated, as shown by the Comptroller's reports, where the vouchers have been filed, and may be seen and examined as in the other expenditures under the control of the Governor.

In all of these appropriations of expenditure in the public service entrusted to my discretion and control, I have endeavored to act as any judicious, prudent person would have acted for himself under similar circumstances.

Respectfully submitted,

O. M. ROBERTS, *Governor*.

On motion of Senator Homan, the Senate adjourned till 10 o'clock to-morrow morning.

SEVENTH DAY.

SENATE CHAMBER, }
AUSTIN, January 18, 1881. }

Senate met pursuant to adjournment.

Lieutenant-Governor J. D. Sayers in the chair.

Roll called; quorum present.

Prayer by Chaplain Brown, of the House.

Senator Duncan moved that the reading of the journal of yesterday be dispensed with, and the same adopted.

A message from the House was received, announcing that the House was then ready (10 A. M.) to proceed with the inauguration of Governor and Lieutenant-Governor.

The President announced a recess for the purpose of attending to the above ceremony.

IN JOINT SESSION.

Roll called; quorum present.

On motion of Senator Moore, the joint session took recess until 11 o'clock A. M., and the Senators repaired to their Chamber.

IN SENATE.

Roll called; quorum present.

Senator Shannon, chairman of Committee on Internal Improvements, submitted the following report: